Samadhan Yojana in Income Tax Laws

†2332. SHRI BANWARI LAL KANCHHAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government are contemplating to introduce Samadhan Yojana in Income Tax laws for tax payers with 2 lac to 5 lac annual income;

(b) if so, the details thereof and by when this scheme will be implemented; and

(c) if not, reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir.

(b) Does not arise in view of reply to part (a).

(c) Income-tax Act, 1961 provides for settling the disputes by filing appeals at various appellate fora. There is no necessity of providing an alternative mechanism for settling the disputes.

Increase in Revenue from Income and Service Tax

†2333. SHRI BANWARI LAL KANCHHAL: Will the Minister of FINANCE be pleased to state:

(a) the extent of increase in revenue from income tax and service tax during the last three years and whether the said increase has been satisfactory;

(b) if so, the justification of conducting income tax raids;

(c) whether Government would contemplate on scrapping the stringent laws of Government raids; and

(d) if so, by when?

†Original notice of the question was received in Hindi.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The extent of growth of revenue from the income tax and service tax during the last three years is as under:

(Rs. in crores)

Head	2003-04		2004-05		2005-06 (Prov.)	
	Rev. realised	Growth over prev. year	Rev. realised	Growth over prev. year	Rev. realised	Growth over prev. year
Income tax	1,05,088	26.48%	1,32,771	26.34%	1,65,208	24.43%
Service tax	7891	91.4%	14200	80%	24039	69.3%

The increase in direct tax collections has been below the estimates of the Government in financial years 2004-05 and 2005-06. The collection of service tax during the last three years is higher than the budget estimates of that year except in the year 2003-04.

(b) Search and seizure actions undertaken by the Government have proved to be an important instrument for combating tax evasion and unearthing unaccounted assets.

(c) and (d) At present there is no proposal to scrap the provisions relating to search and seizure under the income-tax Act, 1961.

Purchase of Stationery from Kendriya Bhandar

2334. SHRI MOTIUR RAHMAN: Will the Minister of FINANCE be pleased to state:

(a) whether Committee of Secretaries (CoS) took a decision in its meeting held on 2nd June, 2004 that purchases of stationery, etc. Upto Rs. 10,000/- will be made from Kendriya Bhandar as they have given employment to a large number of people;

(b) whether that decision had nothing to do with General Financial Rules (GFRs);

(c) if so, the reasons for his Ministry harping that the decision could not be implemented because of new GFRs coming into force thereafter; and

(d) the steps taken to implement CoS decision forthwith?